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BOWATER INC
Form 11-K
June 29, 2006

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2005

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-8712

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

BOWATER INCORPORATED SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

BOWATER INCORPORATED

P. O. Box 1028

55 East Camperdown Way

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Greenville, SC 29602

REQUIRED INFORMATION

1. Report of Independent Registered Public Accounting Firm
2. Statements of Net Assets Available for Benefits as of December 31, 2005 and 2004
3. Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2005 and 2004
4. Notes to Financial Statements
5. Supplemental Schedule - Schedule H, Line 4i - Schedule of Assets (Held at End of Year)
6. Exhibits:
 - a. Exhibit 23 - Consent of Independent Registered Public Accounting Firm

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

BOWATER INCORPORATED SAVINGS PLAN

(Name of Plan)

/s/ Aaron B. Whitlock

Aaron B. Whitlock
Director, Compensation and Benefits
Bowater Incorporated
(Plan Administrator)

Date: June 29, 2006

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BOWATER INCORPORATED SAVINGS PLAN

Financial Statements and Supplemental Schedule

December 31, 2005 and 2004

(With Report of Independent Registered Public Accounting Firm Thereon)

BOWATER INCORPORATED SAVINGS PLAN

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Report of Independent Registered Public Accounting Firm

Financial Statements:

Statements of Net Assets Available for Benefits as of
December 31, 2005 and 2004

Statements of Changes in Net Assets Available for Benefits
for the years ended December 31, 2005 and 2004

Notes to Financial Statements

Supplemental Schedule:

Schedule H, Line 4i - Schedule of Assets (Held at End of Year) - December 31, 2005

Exhibits

Consent of Independent Registered Public Accounting Firm

Schedules not filed herewith are omitted because of the absence of conditions
under which they are required.

Report of Independent Registered Public Accounting Firm

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The Board of Directors
Bowater Incorporated

We have audited the accompanying statements of net assets available for benefits of the Bowater Incorporated Savings Plan (the Plan) as of December 31, 2005 and 2004, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Bowater Incorporated Savings Plan as of December 31, 2005 and 2004, and the changes in net assets available for benefits for the years then ended in conformity with U.S. generally accepted accounting principles.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying supplemental schedule of assets (held at end of year) as of December 31, 2005 is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The supplemental schedule has been subjected to the auditing procedures applied in our audits of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

/s/ KPMG LLP
Greenville, South Carolina
June 28, 2006

BOWATER INCORPORATED SAVINGS PLAN

Statements of Net Assets Available for Benefits

December 31, 2005 and 2004

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	2005	2004
ASSETS		
Investments:		
At fair value		
Mutual funds	\$ 152,886,272	\$ 151,59
Bowater common stock	36,833,371	36,45
Participant notes receivable	8,203,758	7,76
Interest-bearing cash	2,111,167	6,58
	200,034,568	202,39
At contract value		
Fixed income fund	167,391,152	175,01
	367,425,720	377,41
Receivables:		
Employer's contribution	410,878	
Other	453,611	1,27
	864,489	1,27
Cash	662,259	87
Total assets	368,952,468	379,56
LIABILITIES		
Accounts payable	52,647	5
Other	275,902	63
Total liabilities	328,549	69
Net assets available for benefits	\$ 368,623,919	\$ 378,87

See accompanying notes to financial statements.

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BOWATER INCORPORATED SAVINGS PLAN

Statements of Changes in Net Assets Available for Benefits

Years ended December 31, 2005 and 2004

2005	2004

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Additions to net assets attributed to:

Investment income:			
Net (depreciation) appreciation in fair value of investments	\$	(7,181,782)	\$ 8,4
Interest and dividends		13,817,413	12,3
Net investment income		6,635,631	20,7
Contributions:			
Employer's		7,245,563	6,0
Participants'		16,227,628	16,6
Rollovers		622,312	3
Total contributions		24,095,503	23,1
Total additions		30,731,134	43,8
Deductions from net assets attributed to:			
Benefits paid to participants		40,950,658	48,0
Administrative expenses		27,644	
Total deductions		40,978,302	48,0
Net change in net assets available for benefits		(10,247,168)	(4,
Net assets available for benefits:			
Beginning of year		378,871,087	383,0
End of year	\$	368,623,919	\$ 378,8

See accompanying notes to financial statements.

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BOWATER INCORPORATED SAVINGS PLAN

Notes to Financial Statements

December 31, 2005 and 2004

(1) Description of the Plan

The following description of the Bowater Incorporated Savings Plan (Plan) provides only general information. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

(a) General

The Plan was established by Bowater Incorporated (Company) as a trustee, defined contribution savings plan and a leveraged employee stock ownership plan (ESOP). The ESOP had no debt outstanding at December 31, 2005 or 2004. It covers all full-time employees of the Company. It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

(b) Contributions

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Active participants may elect to contribute to the Plan a percentage of their earnings and certain other income items on a tax-deferred or non-tax deferred basis, subject to regulated maximums. The maximum allowable deferral percentage is 50% of the participant's earnings.

The Company contributes to the Plan in cash or shares of Company common stock. Generally, the Company contributes an amount equal to a percentage of each participant's contributed earnings. The Company match is dependent upon each participant's predecessor plan design. Generally, the Company will match between 40% and 60% of each participant's contributed earnings up to 6%. Participants who direct their contributions to the Bowater Stock Fund receive an additional Company contribution equal to 5% of the purchase price of the stock.

The Company may authorize additional employer contributions.

(c) Participant Accounts

Each participant's account is credited with the participant's contributions, the Company's contributions and investment earnings; each participant's account is reduced proportionately for investment losses. Allocations are based on participant contributions or account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

(d) Vesting

Participants are immediately vested in their contributions plus earnings thereon. Participants become fully vested in the Company contributions after completing three years of service.

(e) Investment Options

Participants can direct their contributions to be invested in one or more of many investment funds, including a Fixed Income Fund, a Bowater Stock Fund, and certain mutual funds. Participants may make an unlimited number of exchanges out of the Bowater Stock Fund, but only one exchange transaction into the Bowater Stock Fund in a thirty-day period.

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BOWATER INCORPORATED SAVINGS PLAN

Notes to Financial Statements

December 31, 2005 and 2004

(f) Participant Notes Receivable

Participants may borrow from their fund accounts a minimum of \$1,000 up to a maximum of \$50,000 (less certain adjustments required by statute) or 50% of their vested account balance, whichever is less. Loan transactions are treated as deductions from participants' accounts and accounted for separately. Loan terms range from 1-5 years or up to 15 years for the purchase of a primary residence. The loans are secured by the balance in the participant's account and bear interest at the prime lending rate plus 1% as of the date of the loan. Currently, interest rates range from 5.25% to 10.50% on participant loans. Principal and interest are paid through payroll deductions.

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(g) Benefits and Withdrawals

Participants are entitled to receive vested benefits upon termination of employment. Active employees may withdraw vested funds subject to certain withdrawal rules as defined in the Plan.

(h) Forfeited Accounts

Forfeited nonvested accounts are used to reduce employer contributions. In 2005 and 2004, approximately \$40,975 and \$15,475, respectively, were forfeited and used to reduce employer contributions.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements are prepared using the accrual method of accounting in accordance with U.S. generally accepted accounting principles.

(b) Investment Valuation and Income Recognition

The Plan investments include the Fixed Income Fund, Bowater common stock, mutual funds, participant notes receivable and interest-bearing cash.

Purchase and sales of securities are recorded on a trade date basis. The Plan records interest income on an accrual basis and accrues dividends on the ex-dividend date.

Investments in participant notes receivable and interest-bearing cash are stated at cost which approximates fair value. Investments in Bowater common stock and mutual funds are stated at fair value through quoted market prices. The Fixed Income Fund's holding of synthetic guaranteed investment contracts are stated at contract value plus any accrued income because they are considered to be benefit responsive.

The Guaranteed Investment Contracts (GICs) held by the Fixed Income Fund are synthetic. The Fixed Income Fund owns certain fixed-income marketable securities and a liquidity agreement ("wrapper") is entered into for a fee with a financially responsible third party that guarantees a minimum rate of return and provides benefit responsiveness. There are no reserves currently considered necessary against contract value for credit risk of the contract issuer or otherwise. The average yield was approximately 4.1% and 4.4% for 2005 and 2004, respectively. The crediting interest rate was approximately 4.0% and 4.1% at December 31, 2005 and 2004, respectively. The crediting interest rate is based on a formula agreed upon with the issuer and may not be less than 0%. Such interest rates are reviewed on a quarterly basis for resetting. The fair value of the synthetic GICs is equal to fair value of the underlying marketable securities plus any accrued income. At December 31, 2005 and 2004, fair value was \$165,507,159 and \$177,247,343, respectively, compared

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BOWATER INCORPORATED SAVINGS PLAN

Notes to Financial Statements

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December 31, 2005 and 2004

to the contract value (carrying value) at the same dates of \$167,391,152 and \$175,019,728, respectively.

Financial Accounting Standards Board Staff Position Nos. AAG INV-1 and SOP 94-4-1, "Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Company Guide and Defined-Contribution Health and Welfare and Pension Plans (FSP)," is effective for Plan years ending after December 15, 2006. The FSP describes the limited circumstances in which the net assets of an investment company shall reflect the contract value of certain investments that it holds, provides a definition of a fully benefit-responsive investment contract and provides guidance with respect to financial statement presentation and disclosure of fully benefit-responsive investment contracts. The Company is currently evaluating the impact of this FSP on the accounting, presentation and disclosure of the Plan's synthetic GICs.

(c) Administrative Expenses

Net appreciation in fair value of investments is net of investment management fees of \$551,788 and \$566,196, respectively, for the years ended December 31, 2005 and 2004. Additional administrative expenses, including additional expenses charged by the Trustee, are paid by the participants or the Company.

(d) Payments of Benefits

Benefit payments to participants are recorded upon distribution.

(e) Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amount of assets, liabilities and changes therein, and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates and assumptions.

The Plan's investments include funds which invest in various types of investment securities and in various companies within various markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the Plan's financial statements and schedule.

(f) Reclassifications

Certain 2004 amounts in the financial statements and notes have been reclassified to conform to the 2005 presentation. These reclassifications had no impact on previously reported net change in net assets available for benefits or net assets available for benefits.

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Notes to Financial Statements

December 31, 2005 and 2004

(3) Investments

Investments, with items representing 5% or more of the Plan's net assets separately stated, were as follows at December 31, 2005 and 2004:

		2005
Issuer		
At fair value:		
Fidelity Magellan Fund	\$	36,776,264 \$
Fidelity Equity Income Fund		31,757,273
Fidelity OTC Portfolio Fund		26,164,244
Bowater Common Stock		36,833,371
Other (mutual funds, interest-bearing cash, and participant notes receivable)		68,503,416
		200,034,568
At contract value:		
Fixed income fund		167,391,152
		\$ 367,425,720 \$

During the years ended December 31, 2005 and 2004, the Plan's investments (including gains and losses on investments bought and sold, as well as held during the year) depreciated in value by \$7,181,782 and appreciated in value by \$8,435,108, respectively, as follows:

		2005
Mutual Funds	\$	4,632,767 \$
Bowater Common Stock		(11,814,549)
		\$ (7,181,782) \$

(4) Related Party Transactions

Certain Plan assets are shares of mutual funds managed by Fidelity Management Trust Company (Fidelity). Fidelity is the trustee as defined by the Plan and therefore, these investment transactions qualify as party-in-interest transactions. The trustee receives investment and administrative fees as a result of these activities. The Plan assets also include shares of Bowater common stock. The Company is the Plan sponsor, therefore, these investment transactions qualify as party-in-interest transactions. Investment in company stock is participant directed.

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(5) Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants will become 100% vested in all Company contributions.

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BOWATER INCORPORATED SAVINGS PLAN

Notes to Financial Statements

December 31, 2005 and 2004

(6) Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated April 24, 2003, that the Plan is designed in accordance with the applicable sections of the Internal Revenue Code (IRC).

The Plan has been amended since receiving the determination letter, however, the Company believes that the Plan is currently designed and being operated in compliance with applicable requirements of the IRC and Plan document.

(7) Subsequent Event

On May 9, 2006, the Company approved changes to the Plan. These changes will be effective beginning January 1, 2007 and are as follows:

- The current company contribution will be replaced as follows: Eligible employees shall receive a "safe harbor" matching contribution equal to 100% of the first 3% of compensation deferred and 50% of the next 2% of compensation deferred.
- Additionally, in lieu of benefits received under the Company's defined benefit pension plan, newly hired non-union employees and current active participants whose age plus years of service are less than 70 and are younger than age 55, determined as of December 31, 2006 will receive an additional annual Company contribution ranging from 2.5% to 6.5% based on the participant's age and years of service.
- Roth 401(k) accounts shall be provided.

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BOWATER INCORPORATED SAVINGS PLAN

Schedule H, Line 4i - Schedule of Assets (Held at End of Year)

December 31, 2005

DESCRIPTION OF IN

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IDENTITY OF ISSUER	Interest Rate	Maturity Date	P o

* FIDELITY FIXED INCOME FUND			
WRAP AGREEMENT			
** CDC FINANCIAL PRODUCTS #1290-01	4.26%	open-ended	
** MONUMENTAL LIFE INSURANCE #MDA00182TR	4.26%	open-ended	
** MORGAN GUARANTY #ABOWATER03	4.25%	open-ended	
** UBS AG #3062	4.26%	open-ended	
TOTAL OF WRAP AGREEMENTS			
UNDERLYING SECURITIES			
ANZ NATL INTL4.265 5/16/08 144	4.27%	05/16/2008	
AT&T WIRELESS 7.875% 3/01/11	7.88%	03/01/2011	
AXA FINL INC 7.75% 8/01/10	7.75%	08/01/2010	
ACCR 03-2 A1 4.23% 10/33	4.23%	10/25/2033	
ACCR 03-3 A1 4.46% 12/33	4.46%	01/25/2034	
ACE 03-HS1 M1 1ML+75 6/33	6.07%	06/25/2033	
ACE 03-HS1 M2 1ML+175 6/33	7.07%	06/25/2033	
ACE 03-NC1 M1 1ML+78 7/33	6.10%	07/25/2033	
ACE 03-HE1 M1 1ML+65 11/33	5.97%	11/25/2033	
ACE 04-FM1 M1 1ML+60 9/33	5.92%	08/25/2033	
ACE 02-HE1 M1 1ML+65 6/32	5.97%	06/25/2032	
AIFUL CORP 4.45 2/16/10 144A	4.45%	02/16/2010	
AIFUL CORP 5% 8/10/10 144A	5.00%	08/10/2010	
ALLIANCE CAPTL 5.625% 8/15/06	5.63%	08/15/2006	
ALLTEL CORP 4.656% 5/17/07	4.66%	05/17/2007	
AMERICA MOVIL 4.125 3/1/09	4.13%	03/01/2009	
AMEX CREDIT MTN 5% 12/02/10	5.00%	12/02/2010	
AGFC SR MTN 4.5% 11/15/07	4.50%	11/15/2007	
AGFC SR MTN 4.625% 9/01/10	4.63%	09/01/2010	
AGFC SR MTN 4.625% 5/15/09	4.63%	05/15/2009	
AMER GENL FIN 3.875% 10/1/09	3.88%	10/01/2009	
AGFC SR MTN 4.875% 5/15/10	4.88%	05/15/2010	
AMCAR 03-CF A4 3.48% 5/10	3.48%	05/06/2010	
AMCAR 04-1 B 3.7 1/09	3.70%	01/06/2009	
AMCAR 04-1 C 4.22% 7/09	4.22%	07/06/2009	
AMCAR 04-CA A4 3.61% 5/11	3.61%	05/06/2011	
AMCAR 04-DF A4 3.43 7/11	3.43%	07/06/2011	
AMCAR 05-1 A3 4.26% 5/09	4.26%	05/06/2009	
AMCAR 05-1 B 4.48% 11/09	4.48%	11/06/2009	
AMCAR 05-BM A3 4.05 2/10	4.05%	02/06/2010	
AMCAR 05-CF A4 4.63 6/12	4.63%	06/06/2012	
AMCAR 05-DA A3 4.87 12/10	4.87%	12/06/2010	
AMSI 03-3 M1 1ML+80 3/33	6.12%	03/25/2033	
AMSI 04-R2 M1 1ML+43 4/34	5.75%	04/25/2034	
AMSI 04-R2 M2 1ML+48 4/34	5.80%	04/25/2034	
AMERIPRISE FINL 5.35% 11/15/10	5.35%	11/15/2010	
ARSI 03-W3 M2 1ML+180 9/33	7.12%	09/25/2033	
ABSHE 03-HE6 M1 1ML+65 11/33	5.97%	11/25/2033	
ABSHE 04-HE3 M1 1ML+54 6/34	5.86%	06/25/2034	
ASSOCIATES CORP 6.875 11/15/08	6.88%	11/15/2008	
ASSOC-NA GLBL 6.25% 11/01/08	6.25%	11/01/2008	
ANZ 7.55% 9/15/06	7.55%	09/15/2006	
BTM CURACAO 4.76% 7/21/15 144A	4.76%	07/21/2015	
BACM 05-5 A1 4.716 8/10	4.72%	08/10/2010	

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BACM 05-5 XP CSTR 10/45	0.09%	10/10/2045
BACM 05-6 A1 5.001 9/47	5.00%	09/10/2047
BACM 00-2 A2 7.1975 9/32	7.20%	09/15/2032
BACM 05-1 A2 4.64% 11/42	4.64%	11/10/2042
BACM 2003-2 A2 4.342 3/41	4.34%	03/11/2041
BACM 05-3 A2 CSTR 7/43	4.50%	07/10/2043
BACM 04-2 A2 3.52% 11/38	3.52%	11/10/2038
BACM 04-2 A3 4.05% 11/38	4.05%	11/10/2038
BACM 05-3 XP CSTR 7/43	0.47%	07/10/2043
BACM 04-4 A3 4.128% 7/42	4.13%	07/10/2042
BACM 05-4 A1 4.432 7/45	4.43%	07/10/2045
BACM 05-4 XP CSTR 7/45	0.21%	07/10/2045
BANKAMER 7.8% 2/15/10 GLBL	7.80%	02/15/2010
BONY INC 3.4/3ML+148 3/15/13	3.40%	03/15/2013
BOIT 04-B2 B2 4.37% 4/12	4.37%	04/15/2012
BALL 05-ESHA X1 CSTR 7/20	0.89%	07/14/2020
BNK OF TOKYO MIT GL8.4 4/15/10	8.40%	04/15/2010
BANKAMER CORP 6.25% 4/01/08	6.25%	04/01/2008
BSCMS 04-ESA A3 4.741% 5/16	4.74%	05/14/2016
BSCMS 03-PWR2 A3 4.83% 5/39	4.83%	05/11/2039
BSABS 04-BO1 M2 1ML+75 9/34	6.07%	09/25/2034
BSABS 04-BO1 M3 1ML+105 9/34	6.37%	09/25/2034
BSABS 04-BO1 M4 1ML+120 9/34	6.52%	09/25/2034
BSABS 04-BO1 M5 1ML+140 9/34	6.72%	09/25/2034
BSARM 05-6 1A1 CSTR 8/35	5.12%	08/25/2035
BSCMS 05-PWR9 A1 4.498 9/42	4.50%	09/11/2042
BSCMS 05-PWR9 X2 CSTR 9/42	0.57%	09/11/2042
BSCMS 05-T20 A1 4.94% 10/42	4.94%	10/12/2042
BEAR STEARNS 2.875 7/2/08	2.88%	07/02/2008
BELLSOUTH GLBL 4.2% 9/15/09 DT	4.20%	09/15/2009
BERKSHIRE HATHAWAY 3.4% 7/2/07	3.40%	07/02/2007
BOEING CAP GLBL 5.75% 2/15/07	5.75%	02/15/2007
BRHEA 05-4 A5 4.91 12/40	4.91%	12/01/2040
BRITISH G 8.125/8.375 12/10 DT	8.38%	12/15/2010
CDCMC 03-HE3 M1 1ML+70 11/33	6.02%	11/25/2033
CITEC 05-VT1 A3 4.12% 8/08	4.12%	08/20/2008
CITEC 05-VT1 A4 4.36% 11/12	4.36%	11/20/2012
CIT GROUP INC 3.65% 11/23/07	3.65%	11/23/2007
CNH 05-A A3 4.02% 4/09	4.02%	04/15/2009
CNH 05-B A3 4.27 1/10	4.27%	01/15/2010
CNH 05-B B 4.57 7/12	4.57%	07/16/2012
COMM 05-C6 A2 CSTR 6/44	5.00%	06/10/2044
COMM 05-C6 XP CSTR 6/44	0.14%	06/10/2044
CWL 04-3 M1 1ML+50 6/34	5.82%	06/25/2034
CWHL 02-25 2A1 5.5 11/17	5.50%	11/27/2017
CWHL 02-32 2A3 5% 1/18	5.00%	01/25/2018
CIBC# Y\$CD 4.375% 7/28/2008	4.38%	07/28/2008
CARAT 04-1 A4 2.64 11/08	2.64%	11/17/2008
CARAT 05-1 A4 4.05 7/09	4.05%	07/15/2009
CAPITAL ONE MTN 4.25% 12/1/08	4.25%	12/01/2008
COAFT 04-B A3 2.96% 4/09	2.96%	04/15/2009
COAFT 05-A A3 4.28 7/09	4.28%	07/15/2009
COAFT 05-BSS C 4.48 12/10	4.48%	12/15/2010
COAFT 05-C A3 4.61 7/10	4.61%	07/15/2010
COAFT 05-C A4A 4.71 6/12	4.71%	06/15/2012
COAFT 05-D A3 4.81 3/10	4.81%	03/15/2010
COMET 2003-B3 B3 4.5 6/11	4.50%	06/15/2011
COMET 04-B5 B5 3.7 5/10	3.70%	05/17/2010
COMET 04-B6 B6 4.155 7/12	4.15%	07/16/2012
COPAR 2003-2 A4 2.88 6/10	2.88%	06/15/2010
CFAT 05-A A3 3.9 2/09	3.90%	02/25/2009

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CDTIM 05-1A A1 4.67 5/17	4.67%	05/20/2017
CHAIT 05-B2 B2 4.52 12/10	4.52%	12/15/2010
CHASE MANHATTAN 6.375% 4/01/08	6.38%	04/01/2008
CHUBB CORP 4.934% 11/16/07	4.93%	11/16/2007
CHUBB CORP 3.95% 4/01/08	3.95%	04/01/2008
CITIGROUP 3.5% 2/01/08	3.50%	02/01/2008
CCCIT 03-A6 A6 2.9% 5/10	2.90%	05/17/2010
CCCIT 04-A4 3.2% 8/09	3.20%	08/24/2009
CCCIT 05-B1 B1 4.4 9/10	4.40%	09/15/2010
CGCMT 05-EMG A2 4.2211 9/51	4.22%	09/20/2051
COMM 99-1 A2 6.455 5/32	6.46%	05/15/2032
COMM 05-LP5 A2 4.63 5/43	4.63%	05/10/2043
COMM 05-LP5 XP CSTR 5/43	0.39%	05/10/2043
CMAC 98-C2 B CSTR 9/30	6.09%	09/15/2030
CMAT 99-C1 A3 6.64 1/32	6.64%	01/17/2032
CONSTELATION EC 6.35% 4/01/07	6.35%	04/01/2007
CONSTELATION EN 6.125% 9/01/09	6.13%	09/01/2009
COSTCO WHL CRP 5.5% 3/15/07	5.50%	03/15/2007
CSFB 01-CK3 A3 6.4 6/34	6.40%	06/15/2034
CSFB 97-C2 A2 6.52 1/35	6.52%	01/17/2035
CSFB 99-C1 A2 7.29 9/41	7.29%	09/15/2041
CREDIT SUISSE 4.875% 8/15/10	4.88%	08/15/2010
CSFB 03-C5 A3 4.429% 12/36	4.43%	12/15/2036
CSFB 04-C1 A3 4.321 1/37	4.32%	01/15/2037
CSFB 04-FRE1 B1 1ML+180 4/34	7.12%	04/25/2034
CSFB 05-C4 ASP CSTR 8/38	0.26%	08/15/2038
CSFB 05-C2 ASP CSTR 4/37	0.59%	04/15/2037
CCI 05-1A B 4.878% 6/35	4.88%	06/15/2035
DLJCM 98-CF1 A1B 6.41 2/31	6.41%	02/18/2031
DLJCM 99-CG1 A1B 6.46% 3/32	6.46%	03/10/2032
DLJCM 1999-CG1 A3 6.77 3/32	6.77%	03/10/2032
DCX 6.4 5/15/06	6.40%	05/15/2006
DAIMLER CHRYSLR 4.75% 1/15/08	4.75%	01/15/2008
DCAT 05-B A3 4.04 9/09	4.04%	09/08/2009
DEERE JOHN CAP 3.9% 1/15/08 DT	3.90%	01/15/2008
JOHN DEERE MTN D 4.375 3/14/08	4.38%	03/14/2008
DONNELLEY RR 3.75% 4/1/09	3.75%	04/01/2009
DRIVE 05-3 A3 4.99 10/10	4.99%	10/15/2010
EXELON GEN GLBL 6.95% 6/15/11	6.95%	06/15/2011
FPL GROUP 3.25% 4/11/06	3.25%	04/11/2006
FPL GROUP 5.551% 2/16/08	5.55%	02/16/2008
FHLM ARM 4.889% 3/33 #847126	4.86%	03/01/2033
FHLM ARM 4.314% 12/34 #1B2670	4.30%	12/01/2034
FHLM ARM 4.106% 12/34 #1B2699	4.05%	12/01/2034
FHLM ARM 4.497% 6/35 #1B2907	4.46%	06/01/2035
FHLM ARM 4.307% 5/35 #847408	4.29%	05/01/2035
FHLM ARM 4.55% 2/35 #1G0068	4.55%	02/01/2035
FHLM ARM 4.37% 3/35 #1G0125	4.36%	03/01/2035
FHLM ARM 4.401% 2/35 #1G0103	4.38%	02/01/2035
FHLM ARM 4.444% 3/35 #1G0133	4.44%	03/01/2035
FHLM ARM 4.504% 3/35 #1G0145	4.47%	03/01/2035
FHLM ARM 4.498% 3/35 #1L0123	4.48%	03/01/2035
FHLM ARM 5.034% 4/35 #1N0002	5.01%	04/01/2035
FHLMC 4.48% 9/19/08	4.48%	09/19/2008
FHR 1539 PM 6.5 6/08	6.50%	06/15/2008
FHLM ARM 5.676% 4/32 #789284	5.55%	04/01/2032
FFCB 3.25% 6/15/07	3.25%	06/15/2007
FHLG 20YR 5.50% 4/24 #	5.50%	04/01/2024
FHLG 20YR 5.50% 7/23 #	5.50%	07/01/2023
FHLM ARM 4.819% 10/32 #1B0610	4.78%	10/01/2032
FHR 1608 J 6 6/22	6.00%	06/15/2022

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FHR 1669 G 6.5 2/23	6.50%	02/15/2023
FHR 2292 QT 6.5% 5/30	6.50%	05/15/2030
FHLB 4.25% 4/16/07	4.25%	04/16/2007
FHLM ARM 4.441% 2/34 #781229	4.44%	02/01/2034
FHLM ARM 4.13% 12/34 #782916	4.10%	12/01/2034
FHLM ARM 4.985% 8/33 #782926	5.43%	08/01/2033
FHLM ARM 4.232% 1/35 #782988	4.14%	01/01/2035
FHLM ARM 4.434% 2/35 #783032	4.34%	02/01/2035
FHLM ARM 4.307% 3/35 #783067	4.27%	03/01/2035
FHLMC 4 8/17/07	4.00%	08/17/2007
FNR 92-48 HB 7 4/07	7.00%	04/25/2007
FNR 96-28 PK 6.5 7/25	6.50%	07/25/2025
FNMA 3.875% 5/15/07	3.88%	05/15/2007
FNMA 6% 5/15/08	6.00%	05/15/2008
FNMA 4.75% 1/02/07 SUBS	4.75%	01/02/2007
FNMA 3.25% 8/15/08	3.25%	08/15/2008
FNMA 4% 9/02/08 SUBS	4.00%	09/02/2008
FNMA 3.125% 12/15/07	3.13%	12/15/2007
FNR 99-10 MZ 6.5 9/38	6.50%	09/17/2038
FNMA 20YR 5.50% 11/22	5.50%	11/01/2022
FNMA ARM 4.25% 2/35 #255658	4.25%	02/01/2035
FNMA 20YR 5.50% 4/25	5.50%	04/01/2025
FNMA 20YR 5.50% 6/25	5.50%	06/01/2025
FNMA 15YR 7.00% 10/11 #351943	7.00%	10/01/2011
FNMA 15YR 7.00% 7/14 #522561	7.00%	07/01/2014
FNMA 15YR 7.00% 12/17 #555532	7.00%	12/01/2017
FNMA ARM 4.305% 8/33 #555696	4.27%	08/01/2033
FNMA 15YR 7.00% 1/17 #626726	7.00%	01/01/2017
FNMA ARM 4.710% 10/32 #648938	4.70%	10/01/2032
FNMA ARM 4.986% 11/32 #668236	4.99%	11/01/2032
FNMA ARM 4.732% 10/32 #668509	4.73%	10/01/2032
FNMA ARM 4.925% 12/32 #677026	4.99%	12/01/2032
FNR 03-83 TH 4.5% 11/16	4.50%	11/25/2016
FHR 2590 NT 5% 4/16	5.00%	04/15/2016
FHR 2625 QX 2.25% 3/22	2.25%	03/15/2022
FHR 2626 NA 5 6/23	5.00%	06/15/2023
FHR 2640 QG 2% 4/22	2.00%	04/15/2022
FHR 2667 PC 3.8% 1/18	3.80%	01/15/2018
FHR 2677 LC 4.5 6/15	4.50%	06/15/2015
FHR 2763 PD 4.5 12/17	4.50%	12/15/2017
FHR 2763 TX 4% 3/11	4.00%	03/15/2011
FHR 2780 QD 4.5 3/18	4.50%	03/15/2018
FNMA ARM 3.828% 4/33 #688969	3.84%	04/01/2033
FNMA ARM 4.646% 1/33 #689554	4.64%	01/01/2033
FNMA ARM 4.708% 2/33 #693344	4.73%	02/01/2033
FNMA ARM 4.318% 3/33 #694530	4.32%	03/01/2033
FNMA ARM 4.292% 3/33 #701296	4.29%	03/01/2033
FNMA ARM 3.984% 5/33 #703915	3.96%	05/01/2033
FNMA ARM 4.079% 4/33 #708221	4.07%	04/01/2033
FNMA ARM 4.351% 6/33 #720921	4.33%	06/01/2033
FNMA ARM 3.878% 6/33 #723633	3.88%	06/01/2033
FNMA ARM 3.836% 6/33 #723760	3.82%	06/01/2033
FNMA ARM 4.479% 4/34 #725361	4.43%	04/01/2034
FNMA ARM 3.765% 7/34 #725834	3.76%	07/01/2034
FNMA ARM 4.862% 9/34 #725855	4.84%	09/01/2034
FNMA ARM 4.832% 8/34 #725858	4.81%	08/01/2034
FNMA ARM 4.409% 10/34 #725968	4.40%	10/01/2034
FNMA 15YR 4.00% 8/18 #727438	4.00%	08/01/2018
FNMA ARM 4.115% 2/35 #735343	4.09%	02/01/2035
FNMA ARM 4.162% 2/35 #735345	4.15%	02/01/2035
FNMA ARM 4.587% 2/35 #735355	4.59%	02/01/2035

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FNMA ARM	4.493%	8/34	#735360	4.46%	08/01/2034
FNMA ARM	4.357%	1/35	#735364	4.21%	01/01/2035
FNMA ARM	5.229%	8/33	#735030	5.18%	08/01/2033
FNMA ARM	4.20%	1/35	#735162	4.16%	01/01/2035
FNMA ARM	4.53%	3/35	#735448	4.52%	03/01/2035
FNMA ARM	3.463%	4/34	#735478	3.48%	04/01/2034
FNMA ARM	4.319%	5/35	#735538	4.31%	05/01/2035
FNMA ARM	4.177%	3/35	#735545	4.17%	03/01/2035
FNMA ARM	4.815%	12/32	#735602	4.79%	12/01/2032
FNMA	6.50%	3/35	#735723	6.50%	03/01/2035
FNMA ARM	4.423%	5/35	#745049	4.49%	05/01/2035
FNMA ARM	3.753%	10/33	#746320	3.76%	10/01/2033
FNMA ARM	4.055%	10/18	#749296	4.03%	10/01/2018
FNMA ARM	3.752%	10/33	#755148	3.75%	10/01/2033
FNMA ARM	4.358%	10/33	#754672	4.31%	10/01/2033
FNMA ARM	4.294%	1/34	#759264	4.30%	01/01/2034
FNMA ARM	3.750%	1/34	#761058	3.75%	01/01/2034
FNMA ARM	3.826%	10/33	#763199	3.82%	10/01/2033
FNMA ARM	4.250%	1/34	#765659	4.25%	01/01/2034
FNMA ARM	4.25%	2/34	#765660	4.25%	02/01/2034
FNMA ARM	4.232%	3/34	#766457	4.22%	03/01/2034
FNMA ARM	4.057%	5/34	#768224	3.98%	05/01/2034
FNMA ARM	4.368%	2/34	#769940	4.36%	02/01/2034
FNMA ARM	4.00%	1/35	#773225	4.00%	01/01/2035
FNMA ARM	4.021%	12/34	#773212	3.96%	12/01/2034
FNMA ARM	3.83%	1/35	#773220	3.83%	01/01/2035
FNMA ARM	3.98%	1/35	#773221	3.95%	01/01/2035
FNMA ARM	4.12%	2/35	#773243	4.08%	02/01/2035
FNMA ARM	4.128%	2/35	#773255	4.11%	02/01/2035
FNMA ARM	4.455%	3/35	#773281	4.44%	03/01/2035
FNMA ARM	4.305%	7/34	#776389	4.29%	07/01/2034
FNMA ARM	3.939%	10/34	#781549	3.90%	10/01/2034
FNMA ARM	3.987%	12/34	#781575	3.98%	12/01/2034
FNMA ARM	3.786%	12/34	#781576	3.75%	12/01/2034
FNMA ARM	3.975%	11/34	#781809	3.94%	11/01/2034
FNMA ARM	4.025%	1/35	#781871	4.01%	01/01/2035
FNMA ARM	3.791%	6/34	#783545	3.79%	06/01/2034
FNMA ARM	4.351	1/35	#783580	4.36%	01/01/2035
FNMA ARM	4.499%	3/35	#783587	4.49%	03/01/2035
FNMA ARM	4.4%	2/35	#783588	4.40%	02/01/2035
FNMA ARM	4.544%	7/34	#786380	4.54%	07/01/2034
FNMA ARM	4.607%	8/34	#790203	4.59%	08/01/2034
FNMA ARM	5.019%	9/34	#790458	5.02%	09/01/2034
FNMA ARM	4.658%	9/34	#790618	4.68%	09/01/2034
FNMA ARM	4.748%	7/34	#793028	4.73%	07/01/2034
FNMA ARM	4.339%	9/34	#794241	4.34%	09/01/2034
FNMA ARM	4.364%	9/34	#794242	4.35%	09/01/2034
FNMA ARM	3.737%	1/35	#797416	3.73%	01/01/2035
FNMA ARM	4.202%	1/35	#797418	4.17%	01/01/2035
FNMA ARM	4.549%	8/34	#796985	4.50%	08/01/2034
FNMA ARM	4.67%	11/34	#799727	4.62%	11/01/2034
FNMA ARM	4.825%	12/34	#800297	4.78%	12/01/2034
FNMA ARM	4.845%	12/34	#800335	4.80%	12/01/2034
FNMA ARM	4.571%	9/34	#801337	4.55%	09/01/2034
FNMA ARM	5.05%	7/34	#801635	5.04%	07/01/2034
FNMA ARM	4.037%	12/34	#802854	4.00%	12/01/2034
FNMA ARM	4.324%	12/34	#802660	4.29%	12/01/2034
FNMA ARM	4.23%	11/34	#803591	4.18%	11/01/2034
FNMA ARM	4.484%	10/34	#803592	4.43%	10/01/2034
FNMA ARM	4.029%	1/35	#806167	4.05%	01/01/2035
FNMA ARM	4.127%	1/35	#806519	4.12%	01/01/2035

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FNMA ARM 4.105% 1/35 #806520	4.07%	01/01/2035
FNMA ARM 4.072% 12/34 #806640	4.04%	12/01/2034
FNMA ARM 4.17% 11/34 #806720	4.11%	11/01/2034
FNMA ARM 4.048% 1/35 #806711	4.05%	01/01/2035
FNMA ARM 4.118% 1/35 #807221	4.11%	01/01/2035
FNMA ARM 3.913% 12/34 #809113	3.92%	12/01/2034
FNMA ARM 5.029% 2/35 #809463	5.00%	02/01/2035
FNMA ARM 4.742% 3/35 #809822	4.70%	03/01/2035
FNMA ARM 4.625% 2/35 #809931	4.58%	02/01/2035
FNMA ARM 4.145% 2/35 #810415	4.12%	02/01/2035
FNMA ARM 4.57% 2/35 #811803	4.54%	02/01/2035
FNMA ARM 4.052% 2/35 #812091	4.03%	02/01/2035
FNMA ARM 4.144% 1/35 #813569	4.14%	01/01/2035
FNMA ARM 4.118% 2/35 #813114	4.09%	02/01/2035
FNMA ARM 4.694% 11/34 #813184	4.67%	11/01/2034
FNMA ARM 4.151% 1/35 #813170	4.13%	01/01/2035
FNMA ARM 4.197% 1/35 #813200	4.18%	01/01/2035
FNMA ARM 4.269% 10/34 #813564	4.18%	10/01/2034
FNMA ARM 4.017% 12/34 #813565	3.96%	12/01/2034
FNMA ARM 3.87% 1/35 #813713	3.87%	01/01/2035
FNMA ARM 3.84% 1/35 #813714	3.84%	01/01/2035
FNMA ARM 4.023% 2/35 #813737	4.01%	02/01/2035
FNMA ARM 4.559% 1/35 #813842	4.56%	01/01/2035
FNMA ARM 4.508% 1/35 #813848	4.49%	01/01/2035
FNMA ARM 4.790% 1/35 #815323	4.78%	01/01/2035
FNMA ARM 4.653% 3/35 #816322	4.63%	03/01/2035
FNMA ARM 4.293% 3/35 #815586	4.28%	03/01/2035
FNMA ARM 4.573% 2/35 #816591	4.54%	02/01/2035
FNMA ARM 4.639% 2/35 #816599	4.55%	02/01/2035
FNMA ARM 4.349% 2/35 #818857	4.25%	02/01/2035
FNMA ARM 4.372% 4/35 #820407	4.36%	04/01/2035
FNMA ARM 4.725% 3/35 #820598	4.68%	03/01/2035
FNMA ARM 4.302% 1/35 #827592	4.42%	01/01/2035
FNMA ARM 5.8170% 5/35 #827781	5.10%	05/01/2035
FNMA ARM 5.208% 5/35 #827783	5.20%	05/01/2035
FNMA ARM 4.409% 5/35 #829985	4.40%	05/01/2035
FNMA ARM 5.203% 6/35 #830605	5.20%	06/01/2035
FNMA ARM 4.555% 7/35 #832099	4.54%	07/01/2035
FNMA ARM 5.344% 7/35 #834917	5.30%	07/01/2035
FNMA ARM 5.101% 7/35 #841837	5.15%	07/01/2035
FMIC 04-1 M2 1ML+110 1/35	6.06%	01/25/2035
FIFTH THIRD MED 3.375 8/15/08	3.38%	08/15/2008
FUNCM 99-C2 A2 6.645 6/31	6.65%	06/15/2031
FULB 97-C2 A3 6.65 11/29	6.65%	11/18/2029
FLEET FINANCIAL 6.375% 5/15/08	6.38%	05/15/2008
FORDO 03-B B1 2.85% 10/07	2.85%	10/15/2007
FORDO 2005-A B 3.88 1/10	3.88%	01/15/2010
FORDO 05-C A3 4.3 8/09	4.30%	08/15/2009
FORDO 05-C A4 4.36 6/10	4.36%	06/15/2010
FRNK 05-1 A3 4.91% 4/10	4.91%	04/20/2010
FRANKLIN RESOUR 3.7% 4/15/08	3.70%	04/15/2008
FHLT 04-1 M4 1ML+95 2/34	6.27%	02/25/2034
FHLT 04-1 M5 1ML+110 2/34	6.42%	02/25/2034
FUJI FIN 8.625% 4/15/10 144A	8.63%	04/15/2010
GECC 02-2A A2 4.97% 8/36	4.97%	08/11/2036
GMACC 97-C1 A3 6.869 7/29	6.87%	07/15/2029
GMACC 97-C2 A3 6.566 4/29	6.57%	04/15/2029
GMACC 99-C1 A2 6.175 5/33	6.18%	05/15/2033
GMACC 04-C2 A2 CSTR 8/38	4.76%	08/10/2038
GMACC 2004-C3 A3 CSTR 12/41	4.21%	12/10/2041
GMACC 05-C1 A2 CSTR 5/43	4.47%	05/10/2043

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GMACC 05-C1 X2 CSTR 5/43	0.77%	05/10/2043
GMACC 2002-C1 A1 5.785 11/39	5.79%	11/15/2039
GSMS 03-C1 A2A 3.59% 1/40	3.59%	01/10/2040
GSMS 04-C1 A1 3.659% 10/28	3.66%	10/10/2028
GSMS 05-GG4 XP CSTR 7/39	0.73%	07/10/2039
GSALT 05-1 A3 4.45 5/10	4.45%	05/17/2010
GSALT 05-1 B 4.62 11/13	4.62%	11/15/2013
GECCMC 04-C3 A2 4.433 7/39	4.43%	07/10/2039
GE CAP CP MTN 7.5% 6/15/09	7.50%	06/15/2009
GECAP 3.5% 5/01/08	3.50%	05/01/2008
GE CAP GLBL 3.5% 8/15/07	3.50%	08/15/2007
GEN ELEC CAP CRP 4.125% 3/4/08	4.13%	03/04/2008
GECAPMTN 5% 6/15/07	5.00%	06/15/2007
GOLDMAN SACHS 4.5% 6/15/10	4.50%	06/15/2010
GNR 02-35 C CSTR 10/23	5.88%	10/16/2023
GNR 03-87 CSTR 8/32	5.25%	08/16/2032
GNR 03-36 C 4.2545 2/31	4.25%	02/16/2031
GNR 03-64 B 4.528% 4/32	4.53%	04/16/2032
GNR 05-58 NJ 4.5 8/35	4.50%	08/20/2035
GPMH 01-1 IA 1ML+34 4/32	5.61%	04/20/2032
GREENPOINT FINL 3.2% 6/06/08	3.20%	06/06/2008
GCCFC 03-C1 A2 3.285% 7/35	3.29%	07/05/2035
GCCFC 04-GG1 A4 4.755 6/36	4.76%	06/10/2036
GCCFC 05-GG5 CSTR 4/37	0.13%	04/10/2037
HBOS PLC MTN 3.75 9/30/08 144A	3.75%	09/30/2008
HBOS PLC 3.625% 7/23/07 144A	3.63%	07/23/2007
HSBC FIN CORP MTN4.125 3/11/08	4.13%	03/11/2008
JOHN HANCOCK 6.5% 3/01/11	6.50%	03/01/2011
HEINZ CO 6.428 12/01/08 144A	6.43%	12/01/2008
HFCMC 00-PH1 A1 7.715 1/34	7.72%	01/17/2034
HAROT 05-2 A3 3.93 1/09	3.93%	01/15/2009
HAT 04-1 A4 3.93 7/11	3.93%	07/18/2011
HOUSEHOLD FIN 4.625% 1/15/08	4.63%	01/15/2008
HOUSEHOLD FIN C 4.125 12/15/08	4.13%	12/15/2008
HOUSEHOLD FIN CO 4.75% 5/15/09	4.75%	05/15/2009
HOUSEHOLD MTN 4.125% 11/16/09	4.13%	11/16/2009
HOUSEHOLD INTL 5.836% 2/15/08	5.84%	02/15/2008
HPLCC 02-1 A 5.5 1/11	5.50%	01/18/2011
HFCHC 03-1 M 1ML+63 10/32	5.41%	10/20/2032
HFCHC 03-2 M 1ML+58 9/33	5.85%	09/20/2033
HMLHC 03-HC1 M 1ML+65 2/33	5.14%	02/20/2033
HLHMC 03-HC2 1ML+60 6/20/2103	2.20%	06/20/2033
HAT 05-2 A3 4.37 5/10	4.37%	05/17/2010
HAT 05-2 A4 4.55 7/12	4.55%	07/17/2012
HAT 05-3 A3 4.8% 10/10	4.80%	10/18/2010
HART 05-A C 4.22 2/12	4.22%	02/15/2012
IMM 05-1 M4 1ML+75 4/35	6.07%	04/25/2035
IMM 05-1 M5 1ML+77 4/35	6.09%	04/25/2035
IMM 05-1 M6 1ML+82 4/35	6.14%	04/25/2035
INTL LEASE FIN 4.5% 5/01/08	4.50%	05/01/2008
INTL LEASE FIN CORP 5% 4/15/10	5.00%	04/15/2010
INTL LEASE FIN 4.625% 6/02/08	4.63%	06/02/2008
JPMCC 04-CB9 A2 CSTR 6/41	5.11%	06/12/2041
JPMCC 2001-C1 A2 5.464 10/35	5.46%	10/12/2035
JPMCC 05-LDP2 A2 4.575% 7/42	4.58%	07/15/2042
JPMCC 05-LDP4 A1 CSTR 10/42	4.61%	10/15/2042
JPMCC 05-LDP4 X2 CSTR 10/42	0.22%	10/15/2042
JPMCC 05-LDP5 A1 5.035 12/44	5.04%	12/15/2044
KOREA DEV BANK 3.875% 3/02/09	3.88%	03/02/2009
KRAFT FOODS GLBL 5.25% 6/1/07	5.25%	06/01/2007
LBCMT 98-C4 A1B 6.21 10/35	6.21%	10/15/2035

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LBCMT 99-C1 A2 6.78 6/31	6.78%	06/15/2031
LBUBS 05-C5 XCP CSTR 9/40	0.37%	09/15/2040
LBUBS 00-C3 A1 7.95 7/09	7.95%	07/15/2009
LBUBS 00-C3 A2 7.95 1/10	7.95%	01/15/2010
LBUBS 00-C5 A2 6.51 12/26	6.51%	12/15/2026
LBUBS 04-C6 A2 4.187% 8/29	4.19%	08/15/2029
LBUBS 03-C3 A2 3.086 5/27	3.09%	05/15/2027
LBUBS 03-C5 A2 3.478 7/27	3.48%	07/15/2027
LBUBS 03-C7 A3 CSTR 9/27	4.56%	09/15/2027
LBUBS 05-C7 XCP CSTR 11/40	0.22%	11/15/2040
LEGG MASON INC 6.75% 7/02/08	6.75%	07/02/2008
LEHMAN BROS HLDGS 4% 1/22/08	4.00%	01/22/2008
LEHMAN GBL MED 3.6% 3/13/09	3.60%	03/13/2009
LBMLT 03-3 M1 1ML+75 7/33	6.07%	07/25/2033
LOUIS DREYFUS 6.875% 12/01/07	6.88%	12/01/2007
MILT 05-1 A3 4.83 9/09	4.83%	09/21/2009
MARSHALL & ILSLEY 3.8 2/8/08	3.80%	02/08/2008
MARSHALL&ILSLEY 4.4% 3/15/10	4.40%	03/15/2010
MBNAS 05-B4 B4 4.9% 3/11	4.90%	03/15/2011
MSSTR 04-1 1A1 CSTR 8/17	6.24%	08/25/2017
MANUFTRS & TRDR 3.85% 4/01/13	3.85%	04/01/2013
MARSHALL & ISLY 4.375% 8/01/09	4.38%	08/01/2009
MALT 04-3 3A1 6 4/34	6.00%	04/25/2034
MMLT 04-1 M1 1ML+50 7/34	5.82%	07/25/2034
MERRILL LYN MTN 4.125% 1/15/09	4.13%	01/15/2009
MERRILL LYNCH 4.25% 9/14/07	4.25%	09/14/2007
MERRILL LYN MTN 4.831 10/27/08	4.83%	10/27/2008
MLMT 04-MKB1 A2 4.353% 2/42	4.35%	02/12/2042
MLMT 05-MKB2 XP CSTR 9/42	0.29%	09/12/2042
MLMT 05-MCP1 A2 4.556 6/43	4.56%	06/12/2043
MLMT 05-MCP1 XP CSTR 6/43	0.59%	06/12/2043
MLMT 05-CIP1 A2 4.96 6/10	4.96%	07/12/2038
MLMT 05-LC1 A1 5.017 1/44	5.02%	01/12/2044
MET LIFE GBL 4.25 7/30/09 144A	4.25%	07/30/2009
MORGAN JP & CO 6.25% 1/15/09	6.25%	01/15/2009
MORGAN JP MTN A 6% 1/15/09	6.00%	01/15/2009
JPMC 99-C8 A2 7.4% 7/31	7.40%	07/15/2031
MSC 05-HQ5 X2 CSTR 1/42	0.35%	01/14/2042
MSC 98-WF2 A2 6.54 7/30	6.54%	07/15/2030
MSC 98-XL2 A2 6.17 10/34	6.17%	10/03/2034
MSC 98-HF2 A2 6.48 11/30	6.48%	11/15/2030
MSC 99-WF1 A2 6.21 11/31	6.21%	11/15/2031
MSC 03-IQ5 A2 4.09 4/38	4.09%	04/15/2038
MSC 05-TOP17 X2 CSTR 12/41	0.62%	12/13/2041
MSC 04-HQ3 A2 4.05 1/41	4.05%	01/13/2041
MSAC 03-NC6 M1 1ML+80 6/33	6.12%	06/25/2033
MSAC 03-NC7 M1 1ML+70 6/33	6.02%	06/25/2033
MSAC 03-NC8 M1 1ML+70 9/33	6.02%	09/25/2033
MORGAN STANLEY 4% 1/15/10	4.00%	01/15/2010
MORGAN STANLEY 5.05% 1/21/11	5.05%	01/21/2011
MSDWC 00-PRIN A2 7.18 2/34	7.18%	02/23/2034
MSDWC 01-PPM A2 6.4 2/31	6.40%	02/15/2031
MCFI 98-MC2 A2 6.423 6/30	6.42%	06/18/2030
NATL CTY BK 3.3% 5/15/07	3.30%	05/15/2007
NCSLT 05-1 AIO 6.75% 12/09	6.75%	12/25/2009
NCSLT 05-2 AIO 7.73 3/12	7.73%	03/25/2012
NCSLT 05-3W AIO1 4.8 7/12	4.80%	07/25/2012
NAT-RURAL GBL 5.75% 8/28/09	5.75%	08/28/2009
NATL RURAL MTN 3.24% 7/22/07	3.24%	07/23/2007
NATIONS BANKCORP 6.375 2/15/08	6.38%	02/15/2008
NLFC 99-1 A2 6.316 1/31	6.32%	01/20/2031

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NLFC 99-1 C 6.571 1/31	6.57%	01/20/2031
NAVOT 05-A A4 4.43 1/14	4.43%	01/15/2014
NALT 04-A A3 2.9 8/07	2.90%	08/15/2007
NALT 04-A A4B 3.18 6/10	3.18%	06/15/2010
NALT 05-A A3 4.70% 10/08	4.70%	10/15/2008
NEF 05-1 A5 4.74 10/45	4.74%	10/30/2045
NHEL 04-1 M1 1ML+45 6/34	5.77%	06/25/2034
NHEL 04-1 M4 1ML+97.5 6/34	6.30%	06/25/2034
ONYX 03-C A4 2.66 5/10	2.66%	05/17/2010
ONYX 05-A A3 3.69% 5/09	3.69%	05/15/2009
ONYX 05-B A4 4.34% 5/12	4.34%	05/15/2012
PECO ENERGY 3.5% 5/01/08	3.50%	05/01/2008
PNCFUND 6.875% 7/15/07	6.88%	07/15/2007
PNCFUND 5.75% 8/1/06	5.75%	08/01/2006
PNC FUNDING CORP 4.2 3/10/08	4.20%	03/10/2008
PSI ENERGY INC 6.65% 6/15/06	6.65%	06/15/2006
PPSI 04-WWF1 M4 1ML+110 1/35	6.42%	01/25/2035
PETRO EXP 4.623% 6/15/10 144A	4.62%	06/15/2010
PETRO EXP 4.633% 6/15/10 144A	4.63%	06/15/2010
MORRIS 6.375% 2/01/06	6.38%	02/01/2006
POPULAR NA MTN 4.25% 4/01/08	4.25%	04/01/2008
POPULAR NA 3.875% 10/01/08	3.88%	10/01/2008
PRUDENTIAL FIN 4.104% 11/15/06	4.10%	11/15/2006
PMNT 05-2 B2 5.1 11/12	5.10%	11/15/2012
REED ELSEVIER C 6.125% 8/01/06	6.13%	08/01/2006
RAMP 04-SL2 A1I 6.5 10/16	6.50%	10/25/2016
RAMP 03-SL1 A31 7.125% 4/31	7.13%	04/25/2031
RAMP 03-RZ2 A1 3.6% 4/33	3.60%	04/25/2033
GMACM 05-AR5 1A1 CSTR 9/35	4.84%	09/19/2035
ROYAL KPN NV YANK 8% 10/01/10	8.00%	10/01/2010
SBC COMM GLBL 6.25 3/15/11	6.25%	03/15/2011
SBC COMM GLBL 4.125 9/15/09	4.13%	09/15/2009
SLM CORP 4% 1/15/09	4.00%	01/15/2009
SLM CORP 3.5% 9/30/06	3.50%	09/30/2006
SLMA 05-7 A3 4.41 7/25	4.41%	07/25/2025
SLMA 04-A B 3ML+58 6/33	5.91%	06/15/2033
SVOVM 05-A A 5.25 2/21	5.25%	02/20/2021
SAFECO CORP 6.875% 7/15/07	6.88%	07/15/2007
SAFECO CORP 4.2% 2/01/08	4.20%	02/01/2008
ST PAUL COS 5.75% 3/15/07	5.75%	03/15/2007
SBM7 00-C3 A2 6.592 12/33	6.59%	12/18/2033
SBM7 02-KEY2 A2 4.467% 3/36	4.47%	03/18/2036
SBM7 00-C1 A2 7.52 12/09	7.52%	12/18/2009
SANTANDER 4.75% 10/21/08 144A	4.75%	10/21/2008
SEMPRA ENERGY 7.95% 3/01/10	7.95%	03/01/2010
SEMPRA ENERGY 4.621% 5/17/07	4.62%	05/17/2007
SEMPRA ENERGY 4.75 5/15/09	4.75%	05/15/2009
SOUTHER CO CAP 5.3% 2/01/07	5.30%	02/01/2007
SOUTHWEST 01-1A2 5.496 11/1/06	5.50%	11/01/2006
SWESTERN PUB SVCS 5.125 11/06	5.13%	11/01/2006
SPRINT CAP GLBL 7.625% 1/30/11	7.63%	01/30/2011
ARC 02-BC1 M2 1ML+110 1/32	6.42%	01/25/2032
SASC 04-GEL1 A 1ML+36 2/34	5.68%	02/25/2034
SWIFT 05-A12 B 1ML+48 6/10	5.68%	06/15/2010
TARGET CORP 3.375% 3/01/08	3.38%	03/01/2008
TELECOM ITALIA 4% 11/15/08	4.00%	11/15/2008
TELECOM ITALIA 4% 1/15/10	4.00%	01/15/2010
TELECOM ITALIA 4.875% 10/01/10	4.88%	10/01/2010
TEXAS EAST 5.25% 7/15/07	5.25%	07/15/2007
TEXTRON FINL MTN 4.125% 3/3/08	4.13%	03/03/2008
TIME WARNER COS INC 8.18% 8/07	8.18%	08/15/2007

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TRAVELERS PPTY 3.75% 3/15/08	3.75%	03/15/2008
TAROT 05-A A3 4.05 3/10	4.05%	03/12/2010
TAROT 05-B A3 4.28% 6/10	4.28%	06/14/2010
US BANK NA MTN 4.125% 3/17/08	4.13%	03/17/2008
USA ED INC MTN 5.625% 4/10/07	5.63%	04/10/2007
UNION PLANTERS 5.125% 6/15/07	5.13%	06/15/2007
USTN 3.375% 9/15/09	3.38%	09/15/2009
USTN 3.625% 4/30/07	3.63%	04/30/2007
USTN 3.75% 5/15/08	3.75%	05/15/2008
USTN 3.875% 7/31/07	3.88%	07/31/2007
USTN 4% 8/31/07	4.00%	08/31/2007
VERIZON GLBL 7.25% 12/1/10	7.25%	12/01/2010
VERIZON WRLSS 5.375% 12/15/06	5.38%	12/15/2006
VERIZON NEW YOR 6.875% 4/01/12	6.88%	04/01/2012
VAELEC 5.75% 3/31/06	5.75%	03/31/2006
VWALT 04-A A3 2.84 7/07	2.84%	07/20/2007
VWALT 05-A A3 3.82% 5/08	3.82%	05/20/2008
VWALT 05-A A4 3.94% 10/10	3.94%	10/20/2010
WESTO 04-3 A4 3.93% 2/12	3.93%	02/17/2012
WESTO 04-4 A4 3.44% 5/12	3.44%	05/17/2012
WESTO 05-1 A3 3.59% 10/09	3.59%	10/19/2009
WESTO 05-2 A3 4.17% 12/07	4.17%	12/17/2007
WESTO 05-2 A4 4.39% 11/12	4.39%	11/17/2012
WBCMT 05-C16 APB 4.692% 10/41	4.71%	10/15/2041
WBCMT 03-C6 A2 4.498 8/35	4.50%	08/15/2035
WBCMT 03-C7 A1 4.241 10/35	4.24%	10/15/2035
WBCMT 03-C8 A3 4.445% 11/35	4.45%	11/15/2035
WBCMT 05-C18 XP CSTR 4/42	0.53%	04/15/2042
WBCMT 2004-C15 A2 4.039 10/41	4.04%	10/15/2041
WBCMT 05-C16 A2 4.38% 10/41	4.38%	10/15/2041
WBCMT 05-C22 A1 4.98 12/44	4.98%	12/15/2044
WACHOVIA CORP 6.15% 3/15/09	6.15%	03/15/2009
WACHOVIA CORP 3.5% 8/15/08	3.50%	08/15/2008
WASH MUTUAL INC 4.375% 1/15/08	4.38%	01/15/2008
WAMMS 03-MS9 2A1 7.5% 12/33	7.50%	12/25/2033
WAMMS 04-RA2 2A 7% 7/33	7.00%	07/25/2033
WASHINGTON MUTUAL 4.5% 8/25/08	4.50%	08/25/2008
WELLS FARGO & CO 6.25% 4/15/08	6.25%	04/15/2008
WELLS FARGO & CO 4% 9/10/12	4.00%	09/10/2012
WELLS FARGO 3.125 4/1/09	3.13%	04/01/2009
WELLS FARGO GLBL 4.125 3/10/08	4.13%	03/10/2008
WFMBBS 05-AR4 2A2 CSTR 4/35	4.53%	04/25/2035
WFMBBS 05-AR2 2A2 4.57% 3/35	4.57%	03/25/2035
WFMBBS 5-AR9 2A1 CSTR 5/35	4.36%	05/25/2035
WFMBBS 05-AR10 2A2 CSTR 6/35	4.11%	06/25/2035
WFMBBS 05-AR12 2A6 CSTR 7/35	4.32%	07/25/2035
WESTO 05-3 A4 4.39 5/13	4.39%	05/17/2013
WESTO 05-3 B 4.50 5/13	4.50%	05/17/2013
WESTO 05-3 C 4.54 5/13	4.54%	05/17/2013
WALT 04-1 A3 2.96% 6/08	2.96%	06/15/2008
WOART 04-A A4 3.96% 7/11	3.96%	07/12/2011
UNSETTLED SECURITIES		

TOTAL OF UNDERLYING SECURITIES

TOTAL OF FIXED INCOME FUND

STOCK

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* BOWATER COMMON STOCK

MUTUAL FUNDS

* FIDELITY MAGELLAN
 * FIDELITY EQUITY INCOME
 * FIDELITY OTC PORTFOLIO
 * FIDELITY INTERNATIONAL DISCOVERY
 SPARTAN US EQUITY INDEX
 LORD ABBETT SMCPVAL Y
 * FIDELITY ASSET MANAGER
 * FIDELITY ASSET MANAGER GROWTH
 * FIDELITY SHORT TERM BOND
 * FIDELITY ASSET MANAGER INCOME
 RS SMALLER COMPANY GROWTH
 * FIDELITY FREEDOM 2020
 * FIDELITY FREEDOM 2015
 LM VALUE TRUST FI CL
 * FIDELITY FREEDOM 2010
 GS GROWTH OPPS INST
 * FIDELITY FREEDOM 2025
 * FIDELITY FREEDOM 2035

 * FIDELITY FREEDOM 2030
 * FIDELITY FREEDOM 2005
 * FIDELITY FREEDOM 2040
 * FIDELITY FREEDOM INCOME

TOTAL OF MUTUAL FUNDS

* PARTICIPANT LOANS (5.25% to 10.50%)

* INTEREST-BEARING CASH

4.10%

 TOTAL ASSETS IN SAVINGS PLAN

* Denotes a party-in-interest.

** Investment with periodic credit interest-rate reset.

See accompanying report of independent registered public accounting firm.

INDEX TO EXHIBITS

Exhibit No.	Description
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23	Consent of Independent Registered Public Accounting Firm
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